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Michigan Professional **FIRE FIGHTERS UNION**

Mark Docherty
President

1651 Kingsway Ct., Ste. E, Trenton, MI 48183
(734) 675-0206 • fax (734) 675-6083

Terrence H. Chesney
Secretary-Treasurer

Good afternoon, Mr. Chairman and Committee Members.

My name is Mark Docherty; I am the President of the Michigan Professional Fire Fighters Union and a Sergeant with the Sterling Heights Fire Department.

Thank you for allowing me the opportunity to testify before you today on behalf my organization and the 5000 firefighters that I represent serving 130 different communities throughout the state of Michigan.

I come before you today to express our opposition to SB 7 and SJR C.

Our organization opposes this bill and resolution because of its negative impact on fire fighters and their ability to negotiate adequate healthcare coverage.

Fire fighters work in a profession that has a high rate of injuries, occupational diseases and exposure to numerous hazards which makes quality and affordable health care coverage an important element of our job.

For many years fire fighters have recognized the impact that rising healthcare costs are having on the communities they work and live in.

This is illustrated in every collective bargaining session across the state where healthcare costs continue to be a primary issue at the bargaining table. Historically, firefighters have worked collaboratively with local

governments to contain these costs while maintaining effective healthcare coverage.

When we come to the table to bargain a contract we are essentially given a "piece of the pie". In the past that has meant by how much our contract costs can increase by. While currently, due to the economy, it means by how much the contract costs need to be decreased or reduced by.

Firefighters in many cases have given up greater savings in financial areas such as wages in order to maintain their healthcare benefits. This means we are paying for our healthcare in a way other than premium sharing.

If a city needs to see a specific savings for that budget year and the bargaining group can meet that savings in other ways than premium sharing, I don't understand how this is harming the city.

In fact, there are many ways to provide healthcare savings to a municipality other than premium sharing. Some examples include; co-pays, deductibles, coinsurance and wellness programs to name a few.

I have been employed with the City of Sterling Heights for over 16 years and have had 4 contracts in that time. Every contract that we have negotiated since I have been there has seen a reduction in healthcare costs to the city. We have worked collaboratively with the City to find ways to reduce their costs while maintaining our benefits.

Premium sharing was looked at as a way to save money, although through research, it was determined that the City would see a much greater savings to implement deductibles and co-insurance instead.

Since the City is self insured, if my family does not use any healthcare for the year, then my family does not cost the City a dime in healthcare costs. Although, if my family does utilize health care, then I pay the deductible first. This amount is usually greater than any premium the City would have collected throughout the year.

Healthcare concessions, as we have seen in Sterling Heights are not unique and in fact are seen throughout the state.

Many of our members statewide, do pay premiums or have very high deductible plans, some as high as \$5000.

Firefighters want their communities to be safe and fiscally sound.

Firefighters have a risky job and their risk increases significantly as they have to perform their job with fewer fire fighters. For this very reason, we continually provide concessions such as healthcare savings to keep our guys on the job.

As I stated earlier, it is a misconception to portray that premium sharing is the only way to pay a fair share of our health care.

In fact, even in the private sector, employees are frequently given options for health care plans that include their choice of either a high premium with no deductible plan, a no premium with high deductible plan or somewhere in the middle. It would be the employee's choice as to which plans works for their family.

Mean while, all of these plans still work for the employer because they all cost approximately the same.

We only ask for that same consideration. Allow us to continue to bargain plans that work for our employers and our employees.

We urge the committee to reject these bills and allow this to remain a local issue that is bargained between the employer and employees to achieve the most appropriate cost savings for that community.

I want to thank the Chairman and the committee members for this opportunity to address the committee today.

And I would be happy to answer any questions that you may have for me.

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